(i) After implementation of the recommendation, the Committee has identified that there will be three market players, e.g., IOC, HPC and BPC-IBP. It feels that at a later date, the possibility of a combination of HPC, BPC-IBP, CRL, MRL and NRL should be explored through an umbrella of a holding company. This new entity will be equal in size to IOC and would not only provide good competition but could also emerge as a global player in competition with the international oil majors.

Statement-II

Government have taken following decision for restructuring of PetroleumSector

(i) Indian Oil Corporation Limited (IOCL) would buy the entire share holding of Government of India of 52.5% in Chennai Petroleum Corporation Limited (CPCL) and make CPCL its subsidiary.

(ii) IOCL would buy the entire share holding of Government of India of 74.46% in Bongaigaon Refinery Petrochemicals Limited (BRPL) and make BRPL its subsidiary.

(iii) Bharat Petroleum Corporation Limited (BPCL) would buy the entire share holding of Government of India of 55.04% in Kochi Refinery Limited (KRL) and make KRL its subsidiary.

(iv) BPCL would buy 19% of Numaligarh Refinery Limited (NRL) equity held from Indo-Burma Petroleum (IBP) and make NRL its subsidiary and Oil India Limited (OIL) would buy 10% of NRL's equity from the un-subscribed equity portion of NRL.

(v) The valuation of shares for the above restructuring and disinvestment of Government equity therein shall be done by Ministry of Petroleum and Natural Gas in consultation with the Ministry of Finance.

Oil Reserves in Indian Sea

†1716. SHRI JANESHWAR MISHRA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is fact that Oil reserves are hidden in the Indian sea;

(b) whether electricity can also be generated from the tidal waves of the sea; and

†Original notice of the question was received in Hindi.

(c) if so, what steps Government are taking to convert these possibilities of Ocean Development into reality?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E, PONNUSWAMY): (a) Yes, Sir, Hydrocarbon reserves are present in the offshore areas of India.

(b) and (c) Yes, Sir. Technical Feasibility Reports for 900 MW Tidal Power Project at Gulf of Kutch, Gujarat and 3 MW Tidal Power Project in Durgaduani Creek in Sundarbans areas of West Bengal have been prepared by the Ministry of Non-Conventional Energy Sources.

Various measures are being taken by the Government to find new hydrocarbon reserves and to increase the production of oil and natural gas by, *inter alia*, extending exploration to deep waters and frontier areas, increasing private participation in exploration activities through various rounds of bidding for exploration Blocks and New Exploration Licensing Policy etc.

Production sharing agreement in crude oil production

1717. SHRI C. RAMACHANDRAIAH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government plans to set-up indigenous crude oil production botW off- shore and on-shore and if so, the details thereof;

(b) whether Government are facing any hurdles to carry out exploration activities and how it plans to overcome these hurdles; and

(c) whether it is also a fact that Government are planning to enter into production sharing agreement at home and abroad?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) Yes, Sir. With a view to step up the indigenous crude oil production', Government has taken several measures which include:

(i) To improve the recovery factor from existing major fields by implementing Enhanced Oil Recovery (EOR)/Improved Oil Recovery (IOR) schemes. These would also help in increasing oil production from the fields.

(ii) To add reserves by exploring in the deeper layers in the producing areas.